

Instructions for Litigation Plans

Introductory section: Fill out completely including the name address and phone numbers for the bank and lender contacts.

Section 1: Explain what you want to do and tell us what court your counsel will be proceeding in.

Section 2: Tell us the outcome you are looking for.

Section 3: List your non SBA loans for this borrower (include the original loan and current loan amounts and the current status of the loans).

Section 4: Tell us what you realistically think you will be able to recover through litigation.

Section 5: Tells if there are serious problems with your case.

Section 6: Tell us about any potential conflicts of interest between SBA and the bank or bank counsel (i.e. other non SBA loans with same collateral, bank counsel has previously represented borrower, etc.)

Section 7: Tell us whether either mediation or arbitration is feasible.

Section 8: Is the borrower open to a reasonable settlement?

Section 9: How long do you think will it take to complete the litigation? (give us your best guess)

Section 10: Break out the proposed legal budget. Tell us whether the case will be handled by counsel on an hourly rate, flat fee or contingent fee. List the attorneys and paralegals who will be working on the case and tell us their hourly rate. Give us an estimate of total legal fees to complete the case and list separately estimated costs.

Section 11: If you have other loans (both SBA and non SBA) to this borrower tell us what an appropriate pro rata sharing of the attorney's fees and costs should be and why.

Submit the litigation plan, pleadings and attorney's billing statements to:

loanresolution@sba.gov or

Liquidation/Litigation Plans
U.S. Small Business Administration
1145 Herndon Parkway
Herndon, VA 20170